

THE L. S. WATSON COMPANY, OF LEICESTER, MASS.

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APRIL 26, 1904.—Committed to the Committee of the Whole House and ordered to be printed.

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Mr. TIRRELL, from the Committee on Claims, submitted the following

REPORT.

[To accompany S. 5188.]

The Committee on Claims, to whom was referred the bill (S. 5188) for the relief of the L. S. Watson Company, of Leicester, Mass., beg leave to report the bill back to the House without amendment with the recommendation that it be passed.

The stockholders of the L. S. Watson Company are people of the highest standing.

They made a small importation of heddles, a device used in manufacturing machinery which they manufacture, and after the heddles came over they received a letter from their correspondent in England that the price had fallen very much, and they did not know whether to make out the invoice at the higher price which the goods had hitherto borne or at the lower price.

These people went to the collector of the port and told him the facts, and said they would like to make their invoice at the higher price and then apply for a remission of the duty. The deputy collector at Worcester, where I live, said:

You can not do that; there is no law that permits you to do it. You put in a proforma invoice at the lower price, and then if it turns out that you are not entitled to import the article at that price you can afterwards pay the difference.

So they did, and the matter went on, and they learned afterwards that they were mistaken in supposing that they were entitled to the benefit of the fall.

This matter never would have been heard of or thought of by the collector or anybody else, but the importers went voluntarily to the custom-house and paid the deputy the difference in duty. It was sent to the custom-house in Boston, of which Worcester is a branch, and the collector there said:

There is not any discretion whatever in the law. You will have to pay a fine. The only way to do will be for me to report the matter to the Secretary of the Treasury and ask him to remit it.

The Secretary of the Treasury, on examining the matter, said the law was imperative; that they had made too low a valuation, and that there was no power, except in an act of Congress, to prevent him from exacting a fine, but that he would write a letter stating that the matter was without their fault; that the fine ought not to be exacted; that there was no blame on their part whatever, and that he only exacted the fine because the letter of the law was imperative. The amount is only \$200 or \$300.

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